

MICHIGAN STRATEGIC FUND ACT (EXCERPT)
Act 270 of 1984

CHAPTER 8B

125.2089b Michigan promotion program; appropriation and transfer of funds; appropriation as work project; carrying forward unencumbered or unallotted funds; compliance with MCL 18.1451a.

Sec. 89b. (1) For the fiscal year ending September 30, 2008, there is appropriated and transferred from the general fund to the 21st century jobs trust fund \$60,000,000.00 and there is appropriated from the 21st century jobs trust fund to the fund \$50,000,000.00 for carrying out the purposes of this chapter. Not more than 1/4 of the total amount appropriated from the net proceeds described in section 8(2) of the Michigan tobacco settlement finance authority act, 2005 PA 226, MCL 129.268, shall be used to promote business development in this state.

(2) Upon request from the board, the state treasurer shall transfer appropriated funds from the 21st century jobs trust fund established under section 7(1)(b) of the Michigan trust fund act, 2000 PA 489, MCL 12.257, in the amounts designated by the board at the time and as necessary to fund disbursements required for the Michigan promotion program.

(3) The appropriation authorized in subsection (1) is a work project appropriation and any unencumbered or unallotted funds are carried forward into the following fiscal year. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide economic benefits and job creation within this state through the promotion of tourism.

(b) The work project will be accomplished through the use of interagency agreements, grants, state employees, and contracts.

(c) The total estimated completion cost of the project is \$50,000,000.00.

(d) The expected completion date is December 31, 2010.

History: Add. 2008, Act 98, Imd. Eff. Apr. 18, 2008.

Popular name: Strategic Fund

125.2089 Legislative findings; intent; scope of activities.

Sec. 89. (1) The legislature finds and declares that the activities authorized under this chapter to promote this state and the creation of jobs in this state are a public purpose and of paramount concern in the interest of the health, safety, and general welfare of the citizens of this state. It is the intent of the legislature that the economic benefits and the creation of jobs resulting from this chapter shall accrue substantially within this state.

(2) Activities authorized under this chapter shall not be considered a project, economic development project, or a product assisted by the fund for purposes of chapter 1 or 2.

History: Add. 2008, Act 100, Imd. Eff. Apr. 18, 2008.

Popular name: Strategic Fund

125.2089a Michigan promotion program; establishment; tourism promotion explained; funding; use of appropriation provided from 21st century jobs trust fund.

Sec. 89a. (1) The board shall establish a Michigan promotion program to promote tourism in Michigan and pay business development and marketing costs to promote business development in Michigan. Tourism promotion shall include, but is not limited to, cultural, vacation, recreational, leisure, hunting-related, motor sports entertainment-related, and agriculture-related travel across this state that includes activities that promote tourism in all 4 seasons.

(2) The funding provided under this chapter for tourism promotion is intended to enhance funding beyond that included in the annual appropriation for travel Michigan to attract additional tourism expenditures and development of the tourism industry in this state.

(3) Not more than 4% of the annual appropriation as provided by law from the 21st century jobs trust fund established in the Michigan trust fund act, 2000 PA 489, MCL 12.251 to 12.260, may be used for the purpose of administering the program authorized under this chapter.

History: Add. 2008, Act 100, Imd. Eff. Apr. 18, 2008.

Popular name: Strategic Fund

125.2089c Selection of vendors; request for proposal; evaluation of proposals;

establishment of standard process; appointment of committee to review proposals; use of funds; limitation.

Sec. 89c. (1) The fund board shall select vendors for Michigan promotion program expenditures under this chapter exceeding \$250,000.00 by issuing a request for proposal. At a minimum, the request for proposal shall require the responding entities to disclose any conflict of interest, disclose any criminal convictions, disclose any investigations by the internal revenue service or any other federal or state taxing body or court, disclose any pertinent litigation regarding the conduct of the entity, and maintain records and evidence pertaining to work performed for at least 5 years. The fund board shall establish a standard process to evaluate proposals submitted as a result of a request for proposal and appoint a committee to review the proposals. Members of any committee or individuals working on behalf of the Michigan strategic fund, paid or unpaid, shall have no conflict of interest as determined by the office of the chief compliance officer established in section 88i. This subsection does not apply to a contract that was in existence on March 25, 2008 or to the extension of a contract in which the right to extend was in existence on or before March 25, 2008.

(2) Not less than 75% of the funds appropriated under this chapter shall be targeted to persons or entities outside of this state. No funds may be used for any Michigan promotion program effort that includes a reference to or the image or voice of an elected official, appointed state employee, state employee governed by a senior executive service limited term employment agreement, or a candidate for elective office, and that is targeted to a media market in this state.

History: Add. 2008, Act 98, Imd. Eff. Apr. 18, 2008.

Popular name: Strategic Fund

125.2089d Reports; mechanism to report return on investment for agriculture-related tourism; use of data to establish baseline.

Sec. 89d. (1) In addition to any reporting requirements under section 9, on or before April 15, 2009, and each succeeding April 15, the fund shall report to the senate and house appropriations subcommittees that have jurisdiction over economic development issues, the senate and house standing committees that have jurisdiction over economic development issues, and the senate and house fiscal agencies on the programs established in this chapter. The report shall include, but is not limited to, the following information:

(a) For tourism promotion efforts, all of the following:

(i) The amount spent for promotion outside of this state.

(ii) An itemized list by market of how much was spent, when the promotion occurred, the types of media purchased, and the type of tourism promoted, specifically cultural, vacation, recreational, leisure, hunting-related, or agriculture-related.

(iii) The return on investment analysis that utilizes existing baseline data and compares results with prior outcome evaluations funded by travel Michigan.

(b) For business development efforts, all of the following:

(i) The amount spent for business development outside of this state.

(ii) An itemized list by market of how much was spent, when the promotion occurred, and the types of media purchased.

(iii) A performance analysis that compares the program or campaign objectives and outcome of the campaign or program. Outcome measures may include, but are not limited to, businesses relocated to this state, impact on the business community's perception of the quality of life in this state, jobs created, increases in export sales, impact on the number of retailers carrying Michigan commodities, both within and outside of this state, and increased sales of Michigan products at chain grocers.

(2) The fund shall work with the department of agriculture to develop a mechanism to report the return on investment for agriculture-related tourism and compare results with prior outcome evaluations conducted by the department of agriculture if applicable.

(3) The fund shall ensure data reported on or before April 15, 2009 can be used to establish a baseline for future comparison.

History: Add. 2008, Act 98, Imd. Eff. Apr. 18, 2008.

Popular name: Strategic Fund